

**Smart, Innovative or Both?**  
**Experience from the European Capital of Innovation Award Contests**

The European Capital of Innovation Award (iCapital Awards) was launched as a pilot in 2014, with the aim to identify and support the best urban innovation ecosystems. With the European Capital of Innovation (iCapital) Award, the European Union recognises the unique contribution of cities to European prosperity and social wealth, and the importance that local administration has towards that goal. All European Capitals of Innovation – Athens (2018), Paris (2017), Amsterdam (2016) and Barcelona (2014) - actively pursue innovative approaches that are working to make cities more autonomous, sustainable, circular, resilient and smart. Further, the award is pushing forward genuinely new ways for city administration to collaborate together.

Some basic statistics about the award from previous years, before we go into detail about its technical dimensions. In the last four rounds, a total of 150 eligible applications were submitted (out of which some cities applied in two or more consecutive years). Based on the eligibility criteria, more than 900 cities are eligible to apply from EU Member States and Countries Associated to Horizon 2020. The call for proposals is highly competitive, and similarly to other opportunities directly managed at the European Commission level, the representation of Central and Eastern European countries (especially Visegrad Countries) is relatively low. On the other hand, Horizon2020 Associated Countries are more and more active in the contest. In the 2018 call, 27 applications from 16 countries were submitted, of which 26 were eligible. Less than 10% of the applications came from the EU-13 Member States. The size of the applicant cities varied considerably, with a 50-50 split between cities with more or less than 500,000 inhabitants. In the followings – based on information provided by the European Commission - we summarized some typical assumptions and thus, blocking factors in connection to the application and decision-making process, in order to uncloud the sky.

*Does size really matter (that much)?*

A popular misbelief is that only large cities and capitals can apply or have a real chance to be awarded. Let's test this hypothesis with real data. Table 1 presents the winners, runners-up and finalists (2014-2018), with the indication of their population (in case of cities in the 2018 round):

*Table 1: The Former Winner, Runner-Up and Finalist Cities of the iCapital Award*

		2014 (pilot)	2016	2017	2018	Population (Eurostat 2018)
<b>ALUMNI</b>	iCapital	<b>Barcelona</b>	<b>Amsterdam</b>	<b>Paris</b>	<b>Athens</b>	
	Runners-Up	<i>Grenoble Groningen</i>	<i>Paris Turin</i>	<i>Tallinn Tel Aviv</i>	<i>Aarhus Hamburg Leuven Toulouse Umeå</i>	<i>340 421 1 830 584 101 448 471 941 (2017) 125 080</i>
	Other finalists	<i>Espoo Malaga Paris</i>	<i>Berlin Eindhoven Glasgow Milan Oxford Vienna</i>	<i>Aarhus Berlin Copenhagen Helsinki Nice Tampere Toulouse</i>	<i>Antwerp Bristol Gothenburg Lisbon Madrid Vienna</i>	<i>524 667 454 213 564 039 505 526 (2017) 3 223 334 1 888 776</i>

Source: <https://ec.europa.eu/eurostat/web/nuts/local-administrative-units>  
<https://www.pordata.pt/MicroPage.aspx?DatabaseName=Municipios&MicroName=Popula%C3%A7%C3%A3o+residente+total+e+por+grandes+grupos+et%C3%A1rios&MicroURL=390&>

In terms of population, the minimum eligibility condition is that the applicant city should have at least 100,000 inhabitants. It can be clearly seen from the results of the last (2018) contest that three cities from the total 5 runners-up have a population below 350,000 inhabitants, out of which in case of two cities the number of inhabitants is very close to the minimum condition. So, cities with a population between 100,000-500,000 have a real chance too!

#### *Should binary language be used in the application?*

Another misbelief is that cities and initiatives should be heavily digitalised and equipped with large-scale ICT infrastructure and environment. On the contrary, iCapital Awards champion inspiring cases of citizen-led and municipality-enabled innovation flourishing in cities. Practical, end-user (citizen!) friendly ICT solutions are important, but not sufficient parts of innovative urban initiatives. The award looks at four different dimensions of local innovation: experimenting, engaging, expanding and empowering.

#### *Focus or complexity? How should the proposal be assembled?*

*Experimenting* means innovative practices of governing and creative city management that exploit untapped potential and possible synergies. For instance, Berlin (iCapital finalist in 2017) brings universities and research institutions together in the Einstein Center Digital Future to boost research towards the digitalisation of society.

*Engaging* sheds light on citizen-driven initiatives along the whole spectrum of the innovation, from design to implementation. Citizens are not passive actors of innovation but have instead become 'change-makers' and 'innovation producers'. Participatory budgeting, for instance, and calls for citizens' ideas are gaining support in several major European cities. Their application brings tailor-made solutions, additional resources and strengthens the city's social fabric. The interactive citizen platform Civocracy in Nice brings together 12 citizen organisations to facilitate a unique dialogue with the municipality. The latter so far ensured the uptake of 266 ideas.

To be able to scale up their innovative practices, cities must be able to attract new talents and resources. The *expanding* dimension of the award focuses on the city strategy to appeal to high-profiled workers, investors and inventors that can raise the potential of a city. As part of this strategy, Toulouse became a hub for the Internet of Things and raised more than half a million euros investment in smart lightening, 4G availability in the metro and across the city. In the Nordics, Helsinki is home to Digitalents, a community that helps young people obtaining basic skills of the 21st century, coding, game development and marketing.

Once cities acquire the 'know-how', they are able to look for new opportunities beyond their frontiers and export their successful models to other cities. Aarhus, another finalist city in 2017 and runner-up in 2018, recently launched a Danish open-Source community bringing together almost 100 Danish municipalities.

While city's role model positioning certainly brings pride to its authorities, it is the *empowerment of citizens* that matters. This dimension enlightens concrete benefits innovative actions have brought to people and how their living conditions have changed for better. Tampere transformed an industrial district into a carbon-neutral area of 25,000 residents and 10,000 new jobs in circular economy.

#### *Is it worth to apply?*

And lastly, about the award itself. The title of European Capital of Innovation comes with 1 million EUR of financial incentive. Additionally, 100,000 EUR is provided to each of the five runner-up cities. Equally importantly, the prestigious recognition itself should be highlighted also, as the award approves the winning city's positioning on the European innovation map and sets it as a role model for others.

### *What is my role as a local municipality?*

Innovation does not work in isolation. It is the result of greater and more complex processes, as innovation ecosystems. Cities are Europe's economic powerhouses that play a central role in urban innovation. Urban areas increase social interactions, exchange of ideas and knowledge generation. Municipalities have a key role in spurring innovation by enhancing collaboration and interaction between different players: industries, academia, citizens, investors, communication teams and researchers, to name only a few. Fostering this interaction means generating new ideas and solutions, and local authorities are uniquely placed to support positive match-making. An incredible amount of resources – time, people, skills – are needed to develop structural collaboration and coordination between the authorities and other innovation ecosystem players. Municipalities ensure resources such as the necessary infrastructure, for example technology parks, incubators, universities, research labs and development agencies. In many cases, ecosystems are supported by stimulating start-up programmes and friendly co-working environment. Since innovation does not end with financial injection or laboratory testing, municipalities also play a key role in acting as test-beds for innovation, enabling testing in a real environment, ensuring safety conditions and enhancing the final use by their citizens. Take mobility, for instance. Machine-to-machine communication and self-driving cars are just two examples that can contribute to safer and less stressful commuting. Cities should play a role in ensuring that citizens trust such innovation and support the benefits that they promise to deliver.

### *How to get support and good practices?*

Enhancing innovation and cooperation among local partners is as important as collaboration and dialogue among cities at national, European, and international level. Frequent interactions expose good practices and potential synergies. For this purpose, the iCapital Awards gather all past finalist cities in the iCapital Alumni Network (<https://iken.global/icapital-alumni-cities/>). The 2019 edition of the competition is now open and interested cities can apply until 6 June 2019.

More information is available at : [https://ec.europa.eu/info/research-and-innovation/funding/funding-opportunities/prizes/icapital\\_en](https://ec.europa.eu/info/research-and-innovation/funding/funding-opportunities/prizes/icapital_en), or: [rtd-i-capital@ec.europa.eu](mailto:rtd-i-capital@ec.europa.eu).

### *Summing up:*

The European Capital of Innovation Award is a relatively new, competitive scheme that provides not only financial incentive, but also prestigious international recognition to the competing cities. Additionally, the drafting of the application itself is an excellent community building exercise, that can bring several actors together for a common goal: positioning their city on the map of leading hotspots in urban innovation. Once started, joint-up thinking and creative communication will yield several, even unexpected results in the short and longer term also. It is worth to join the 2019 edition, especially for Central and Eastern European locations, thus we encourage all cities to take up the challenge.

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